

# MIKI HOUSE Reaffirms Commitment to Conventional In-store Shopping with New Luxury Product Line

With more than half a century of industry experience to draw on, the upscale Japanese children's apparel manufacturer and retailer is branching out and looking to overseas markets to increase its revenue.



New premium collection "MIKIHOUSE GOLDLABEL"

A manufacturer of baby and child apparel first established more than half a century ago in 1971, in the intervening years MIKI HOUSE has become a celebrated international brand with outposts all around the globe.



Saint-Honoré Store (Paris)

This, as company president Koichi Kimura explains, is in no small part down to the firm's consistently high-quality output, which has won it a loyal and ever-expanding customer base both at home and abroad.

"What we emphasize across all our brands," he says, "is our commitment to high-quality, high-value craftsmanship, something that only our company can deliver. What sets our products apart, moreover, is their durability. Our products are made to be handed down the generations rather than being discarded after a few uses."

This commitment to producing sustainable, durable products can be clearly seen in the firm's unique manufacturing process, which begins with a meticulous selection of raw materials, most notably Sea Island Cotton, the rarest form of cotton, which makes up a miniscule percentage of global cotton production.

Mr. Kimura takes up the thread: "Clothing made with Sea Island Cotton boasts excellent qualities in terms of its texture, comfort and overall feel. Our dedication to using such a premium material for baby clothes is unique – there are no other baby and children's clothing companies that incorporate this material into their products. This exemplifies the great care we take in addressing children's skin sensitivity."



Gauze mask from the Pureveil series

As well as placing emphasis on children's safety and security, a part of the company's mission is to ensure it minimizes the risk of children becoming infected with bacteria and viruses. To this end, it has released the Pureveil line, which makes use of an antibacterial and antiviral ingredient known as Etak®, developed by Professor Hiroki Nikawa of Hiroshima University.

Mr. Kimura again: "Professor Nikawa's groundbreaking research, which clearly showed that Etak® was developed as an oral disinfectant, became the cornerstone for infusing it into our threads and materials for children's garments and bedding."

Products which feature Etak®-infused fibers include items such as gauze masks for children, which were so popular during the COVID pandemic that supply struggled to meet demand.

And while the pandemic itself may have increased demand for certain products, there is little doubt that it also had a deleterious effect on physical retail stores, with many, hamstrung as they were by stay-at-home orders and social distancing, being obliged to close down.



"Despite the relatively high price point of Japanese products, our business has thrived for the past half-century because of the trust our customers place in our brand."

Koichi Kimura, President, MIKI HOUSE Group

Conversely, e-commerce experienced a significant increase; and in 2021 online sales in Japan jumped by 13%, making the country the fourth-largest e-commerce market in the world.

Asked how the firm has adapted to this surge in online

sales, Mr. Kimura emphasizes instead MIKI HOUSE's commitment to preserving its bricks-and-mortar sales channel, represented not by the internet, but by its conventional stores.

Indeed, he says, "there is a noticeable trend of individuals returning to the practice of physically visiting stores." A trend, he suggests, which is driven by the desire to ensure optimal comfort when purchasing clothes – a tactile experience best enjoyed in-person as opposed to online.

"Being able to touch and feel the material is crucial in the purchasing process," he continues. "And given that most of our products are priced higher than the average fast-fashion items – for good reason, I might add – customers are more inclined to make their selections in-store."

All of which has a tangible impact on the firm's approach to its customers' in-store experience. And perhaps unsurprisingly, while some retail shops are opting to enhance the in-store experience through new technologies, MIKI HOUSE prefers to swim against the tide.



Harrods Store (London)

Mr. Kimura explains: "Approximately 50% of our in-store domestic sales are made as gifts. Typically, therefore, our customers do not shop for themselves, but for their children, friends or relatives. Recognizing this unique purchasing behavior, our company places its primary emphasis on the quality of customer service, hospitality and, above all, on meeting various customer needs."

Staff are trained to understand what customers are looking for and make immediate and appropriate suggestions. Rather than relying on new technologies, the process should be conventional: an easy, reliable and above all user-friendly exchange, which allows customers to minimize the amount of time they spend in-store, while at the same time maximizing their ability to explore the range of products on offer.



As far as the future is concerned, the firm is keen to branch out into other areas. Having already expanded into children-related products such as picture books, toys and educational items, MIKI HOUSE is currently working on a new business encompassing weaning foods.

Meanwhile, initiatives in overseas obstetrics and postpartum care facilities are also underway: "We have initiated a project in collaboration with a general hospital in Thailand to provide our products to newborns in the obstetrics and gynecology department, which features a space designed by MIKI HOUSE."

Similar initiatives are likewise being implemented in Japan. "We aim to provide those moms and babies currently in domestic obstetrics and postpartum facilities with an opportunity to experience the quality of MIKI HOUSE first hand," Mr. Kimura states. "By showcasing our products in a way that allows individuals to see, touch and have their babies wear them, we believe they will come to appreciate the exceptional quality we have to offer."



Newborn ceremony dress

Staying on the home front, as the country continues to

grapple with a demographic shift that will inevitably lead to a shrinking domestic market, Mr. Kimura has been strategically expanding the company's presence in foreign markets for a decade or more.



RAM2 HOSPITAL nursery (Bangkok)

"Ten years ago, the proportion of our company's revenue from international markets was only 20%, but we have significantly increased that figure to 65% in response to the country's persistent demographic decline."

The potential, of course, has always been there. The company has maintained a global presence since its first international appearance at Saks Fifth Avenue in New York in 1979. A Parisian store, located near the Louvre, followed in 1987, while the company's current base in the French capital is on Rue Saint-Honoré, a stone's throw away from the Ritz Paris.

Both locations, Mr. Kimura is keen to suggest, speak to the company's desire to be an integral part of Paris's vibrant fashion scene. To this end, the company has also participated in French exhibitions and fashion shows since 1982, an approach that has allowed it to release products with careful consideration, precisely tailored to meet the differing needs of its European clientele.

For now, MIKI HOUSE's primary focus for business expansion is Asia, while Mr. Kimura is also excited by the prospect of a new store opening in Cyprus. In short, the number of stores opening worldwide is steadily increasing, and the company is receiving more and more offers to do business from overseas.

Key here is brand identity. "We believe," Mr. Kimura states, "that by emphasizing quality in our products, users naturally develop a strong attachment to our brand. Interestingly, some of our customers, upon returning to their home countries, are so impressed with our brand that they take the initiative to open local shops themselves."

Such enterprise, naturally, is fully supported by the company. "We provide essential elements such as tables and hangers and guide distributors in deciding the appropriate quantity of clothing for import when opening a new store."

The company offers tailored recommendations and education on how to delight customers to ensure distributors' ongoing success.



Baby clothes made of Sea Island Cotton

It's a formula that should pave the way for sustained foreign expansion. For his part, Mr. Kimura is in no doubt about his ambitions for the short term. "While maintaining a focus on the domestic market in Japan," he confirms, "we are also aiming to achieve a 70% to 80% contribution from international sales to our total revenue over the next three years. Thus, we can attain our mission: Fill the lives of children and their families with smiles all over the world."

**miki HOUSE**

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